**Croydon Council Gender Pay Gap Report**

**Based on data collected on 31st March 2018**

**Issued March 2019**

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1. **What is a Gender Pay Gap?**

A gender pay gap compares the difference between the average hourly pay of women and the average hourly pay of men. Because the gender pay gap looks at all roles, it shows whether men are on average occupying higher paying roles than women or whether women are occupying higher paid roles than men. It is not a comparison of pay between people doing the same work.

Employers with more than 250 employees are required by law to publish an annual gender pay gap report.

In accordance with gender pay gap reporting guidelines, Croydon Council included 3,165 people in the scope as eligible for reporting on 31st March 2018. Further information about the workforce is published on our [workforce profiles](https://www.croydon.gov.uk/community/equality/strategies/workforceprofiles) page.

1. **Summary**

Key findings of the report:

* The Council’s gender pay gap is 1.6% as a mean and 2.6% as a median.
* Our gender pay gap has not substantially increased since 2017. Previously the pay gap reported in 2018 (for 31st March 2017) was 1.6% mean and 2.4% median.
* The reported pay gap is substantially lower than the overall UK median gender pay gap of 17.9%
* Our gender pay gap is low because we have a fairly consistent proportion of women and men in both higher paid and lower paid roles
* The median percentage is a better indication of typical pay. It is different to the mean percentage because there is a slightly larger proportion of men in the upper pay quartile compared to the proportion of men in the lower pay quartiles.
* We are committed to improving gender diversity and have a number of ongoing initiatives within the council.

1. **Understanding the pay gap information**

### **3.1 Pay gap percentages**

The data can show positive and negative percentages depending on whether the pay being measured is higher or lower for the minority group. In this report the percentage gap represents the degree to which the average pay for women or the average bonus pay for women is lower than the same average payment for men.

### **3.2 Ordinary hourly rate**

The ordinary hourly rate includes:

* Basic pay
* Allowances e.g. market supplements, acting-up payments, weekend and night working, standby payment
* Shift premium pay

It does not include:

* Employees on maternity leave, long term sick leave, or other types of reduced pay
* Overtime

The calculation is based on contractual weekly hours. This gives a direct comparison between employees’ hourly pay, regardless of whether they work full-time or part-time.

### **3.3 Mean and median**

* Mean: adding a range of numbers together and dividing the total by how many numbers there are (often referred to as the average).
* Median: the middle value in a range of numbers (which is better measure for skewed distributions).

### **3.4 Pay quartiles**

Pay quartiles are calculated by:

* Ordering employees by their ordinary hourly pay.
* Dividing the employees into four groups, each with an equal number of employees - each group is a quartile. This creates four equally sized pay bands ranging from the lowest paid 25% of employees to the highest paid 25% of employees

For Croydon Council this results in pay quartiles where:

* The bottom quartile (A) includes those earning less than approximately

£14.26 an hour including allowances and shift pay

* The second quartile (B) includes those earning between approximately £14.26 to £17.80 an hour
* The third quartile (C) includes those earning between approximately £17.80 to £22.30 an hour
* The top quartile includes those earning over approximately £22.30 an hour (D)

Quartiles allow Croydon Council to compare pay including allowance and shift pay rather than using grades which only considers their basic pay. It also allows us to compare all employees’ across our various grade structures.

1. **Croydon Council pay gap data 2018**

### **4.1 Ordinary hourly pay gap for gender**

66.5% (2,105) of the Croydon Council workforce is female.

Overall, the average pay for female employees is slightly lower than for male employees as shown in the table below:

|  |  |
| --- | --- |
| Hourly pay gap  (data as at 31 March 2018) | Gender Gap  (% that average pay for women is lower than for men) |
| Mean ordinary hourly pay gap | 1.6% |
| Median ordinary hourly pay gap | 2.6% |

This pay gap has remained almost consistent with the previous reported gap from 2017:

|  |  |
| --- | --- |
| Hourly pay gap  (data as at 31 March 2017) | Gender Gap  (% that average pay for women is lower than for men) |
| Mean ordinary hourly pay gap | 1.6% |
| Median ordinary hourly pay gap | 2.4% |

The pay gap is small because the proportion of women to men is broadly the same across the majority of jobs.

As previously stated the percentage of women in the workforce as at 31st March 2018 was 66.5%. This percentage of women is consistent across three pay quartiles (below). However pay quartile (B – lower middle) shows a higher percentage of women (74%) than represented in the whole Croydon workforce.

In comparison to last years (2017) reported pay quartiles (below), it is apparent that the figures are fairly consistent although there have been increases in the pay quartile (B).

The data highlights that, on average there is a slightly higher proportion of male employees in higher paid roles than female employees.

Croydon Council as a local authority reflects the reality of most local authorities in its gender make-up in that women form the majority of employees. This representation is also higher than within the local community (where women comprise 51.5%)

We aim to address areas within the council where there may be less diverse representation for gender. We are aware that the representation of female employees in the lower middle quartile (B) is also higher than their general representation which could indicate issues with gender segregation for certain roles.

### **4.2 Bonus pay gap for gender**

The tables below shows the gender pay gap for bonus payments for the last two years:

|  |  |
| --- | --- |
| Bonus pay gap  (1 April 2017 to 31 March 2018) | Gender Gap  (% that average pay for women is lower than for men) |
| Mean bonus pay gap | 56.6% |
| Median bonus pay gap | 0.0% |
| Women paid bonus as % of all women | 2.7% |
| Men paid bonus as % of all men | 1.2% |

|  |  |
| --- | --- |
| Bonus pay gap  (1 April 2016 to 31 March 2017) | Gender Gap  (% that average pay for women is lower than for men) |
| Mean bonus pay gap | 22.5% |
| Median bonus pay gap | 5.5% |
| Women paid bonus as % of all women | 2.3% |
| Men paid bonus as % of all men | 1.4% |

For the purpose of pay gap reporting ‘bonuses’ includes one-off payments given for specific recruitment and retention purposes (e.g. social workers) and payments relating to profit sharing, productivity, performance, incentive and commission (e.g. enforcement agents).

One-off payments were made to 61 female employees and 11 male employees during the 2017-18 year. During 2016-17, 51 female employees and 16 male employees received a payment. The median ‘bonus’ gender pay gap has decreased from 5.5% in 2016/17 to 0% in 2017/18. The mean ‘bonus’ gender pay gap has increased from 22.5% in 2016/17 to 56.6% in 2017/18.

It is important to remember that only 2.3% of staff in the council workforce received ‘bonus’ payments in 2017/18.

The median ‘bonus’ pay gap demonstrates an even and equal distribution across the workforce and this pay gap has decreased from 5.5% in 2016/17 to 0% in 2017/18.

The mean ‘bonus’ pay gap is skewed by the size of the payment given to a very small group (0.2%) of staff in the workforce who receive payments relating to profit sharing, productivity, performance, incentive and commission.

1. **How we are improving our diversity**

Croydon Council is committed to improving our diversity. The actions we have taken include:

* Providing a positive action leadership development programme for women. 38 women completed the Women's Leadership Development programme between 2016 and 2017 and another 33 women completed the programme in September and October 2018. A further 27 women are expected to complete the programme in April 2019.
* Those who completed the programme in 206/17 were surveyed in April 2018 to check their career development and the results are as detailed below:
  + 32% had gone on to secure new job roles within Croydon Council.
  + 34% had gone on to take up interim, job secondments within Croydon Council
  + 92% had stayed with the Council
* We have supported employees to develop staff diversity network groups that support all protected characteristics including gender.
* Equality and unconscious bias training has been undertaken by all our line managers and other employees.
* We have clarified in job advertisements that flexible and agile working options can be discussed at interview and agreed from the start of employment for all new employees
* We ensure that staff who take extended leave such as maternity leave are not disadvantaged in receipt of their pay increments – they receive the same increments as the rest of the workforce.
* During 2019 the council is undertaking a baseline qualitative and quantative analysis of the workforce to inform workforce strategy.
* The council is preparing for the Equality Framework for Local Government (EFLG) assessment in 2019. This will assess against five equality areas including workforce diversity as part of the ‘skilled and committed workforce’ performance measure.
* We now have a number of family friendly policies and other initiatives to support women including:
  + - The ability to buy additional leave
    - The ability to take unpaid and sabbatical leave (up to 12 months subject to eligibility).
    - Shared parental leave options
    - Paid additional leave options for employees when dealing with premature birth; parental bereavement leave (for bereaved parents of children under 18); and options for caring responsibilities.
    - Guidance on supporting women in the workplace during the menopause
    - The commitment of our council to enabling flexible and agile working for all staff wherever possible from the start of employment (subject to business needs)

Our [commitment to equality](https://www.croydon.gov.uk/community/equality/ei-policy) outlines our aim to create a workplace where all employees can be themselves.

Over the coming years we aim to:

* Ensure all our HR policies are inclusive
* Continue to improve our performance management system
* Monitor progression up the grade structure by employees’ protected characteristic
* Encourage men as well as women to use our range of flexible working options and we will continue to pursue Timewise accreditation
* Actively encourage higher levels of disclosure from employees

1. **Croydon Council gender pay gap comparison with overall UK pay gap**

We calculated our pay gap using a method set by The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

The Office for National Statistics use a different method for calculating the UK wide pay gap and therefore the two are not directly comparable. However, for context, how we compare against the UK-wide median is:

|  |  |  |
| --- | --- | --- |
| Characteristic | Croydon Council – median pay gap | UK Average [[1]](#footnote-1) |
| Gender | 2.6% | 17.9% |

In this context all our gender pay gap is much lower in comparison with the UK-wide median gap.

1. **Difference between pay gap and equal pay**

Equal pay calculations compare the average pay of male and female employees’ doing equal work e.g. men or women doing the same job or on the same grade.

Gender pay gap is a comparison of the average pay for all men and all women within the council across all jobs.

As well as our pay strategy, gender pay gap is impacted by the grade profile of men and women. This is positively influenced by equal treatment in:

* Recruitment
* Progression through grades
* Performance management
* Learning and development
* Maternity return rates
* Equal use of flexible working and parental leave
* Inclusive leadership and culture

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End

**Appendix 1: Statutory Reporting Data Sets**

The tables below shows the 14 data sets that will be upload to the Government portal in line with the gender pay gap reporting responsibilities.

**HOURLY RATE**

|  |  |  |
| --- | --- | --- |
|  | MEAN | MEDIAN |
| Women’s hourly rate is | 1.6% lower | 2.6% lower |

**PAY QUARTILES**

|  |  |  |
| --- | --- | --- |
| QUARTILE | MEN | WOMEN |
| Top | 35% | 65% |
| Upper Middle | 36% | 64% |
| Lower Middle | 26% | 74% |
| Lower | 35% | 65% |

**BONUS PAY**

|  |  |  |
| --- | --- | --- |
|  | MEAN | MEDIAN |
| Women’s bonus pay is | 56.6% lower | 0% lower |

|  |  |  |
| --- | --- | --- |
|  | MEN | WOMEN |
| Who received bonus? | 1.2% | 2.7% |
|  | (of men) | (of women) |

# **Appendix 2: Pay Quartile Information – Gender**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Pay quartiles** | **Women** | **Men** | **Total** |  | **Women headcount** | **Men headcount** | **Total headcount** |
| Proportion of women and men in the **upper quartile** (paid above the 75th percentile point) | 65% | 35% | 100% |  | 512 | 279 | 791 |
| Proportion of women and men in the **upper middle quartile** (paid above the median and at or below the 75th percentile point) | 64% | 36% | 100% |  | 503 | 288 | 791 |
| Proportion of women and men in the **lower middle quartile** (paid above the 25th percentile point and at or below the median) | 74% | 26% | 100% |  | 582 | 209 | 791 |
| Proportion of women and men in the **lower quartile** (paid below the 25th percentile point) | 65% | 35% | 100% |  | 517 | 275 | 792 |

# **Appendix 3: Gender Pay Gap and Hourly Rates**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Gender Pay Gap Reporting** | | | | | | |
|  | |  |  | | | |
| **Pay rates** | **Gender pay gap - the difference between women's pay and men's pay as a percentage of men’s pay (minus % means women have higher pay, positive % means men have higher pay)** |  | **Gender pay gap - women's pay as a percentage of men’s pay** | **Hourly rate of women** | **Hourly rate of men** | **Difference £** |
| Mean hourly rate  (Male hrly rate - Female hrly rate) / Male hrly rate x 100 | 1.6% |  | 98.4% | 19 | 19.3 | 0.3 |
| Median hourly rate  (as above calc but for median hourly rates) | 2.6% |  | 97.4% | 17.36 | 17.82 | 0.46 |

# **Appendix 4: ‘Bonus’ Pay Gaps - Gender**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Bonus pay** | **Bonus Gender Pay Gap - the difference between women's bonus and men's bonus as a % of men's bonus** |  | **Bonus Gender Pay Gap - women's bonus as a % of men's bonus** | **Bonus pay of women** | **Bonus pay of men** | **Difference £** |
| Mean bonus | 56.6% |  | 43.4% | 2243 | 5164 | 2921 |
| Median bonus | 0.0% |  | 100.0% | 1000 | 1000 | 0 |

1. Office For National Statistics April 2018 [↑](#footnote-ref-1)